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ABSTRACT

This report is a blend or summary of six reports that dealt with rural development, especially labor adjustment, in the Ozark and Delta regions of Arkansas. The studies were initiated mainly at the request of policy makers in the Delta and Ozarks areas of Arkansas. Several writers have suggested that "culture of poverty" is a major deterrent to upward job mobility of the economically deprived. Responses to scales, and related questions, by low income groups in both regions gave little support to the "culture of poverty" explanation. Rather, tangible factors such as lack of suitable transportation and poor health were clearly evident. The phenomenon of high labor turnover was also clearly evident. Efforts to explain the high rates were applied to a sample of persons in the Delta. Test questions, formulated by Herzberg in the "anagement field, were used to see what was causing job satisfaction and dissatisfaction. The finding was that preconditions for employee satisfaction were available, but the motivators (praise, recognition, etc.) that release the better and best efforts of employees seemed to be at a low level. The evidence pointed to the need for consultants to work especially with supervisors of factory workers to create a work environment with improved social aspects. Rural industrialization cannot be viewed as a cure-all for the poverty problems of rural areas. (Author/JH)



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Rural Development and Labor Adjustment in the Mississippi Delta and Ozarks of Arkansas:

A Summary Report

AGRICULTURAL EXPERIMENT STATION
University of Arkansas Division of Agriculture
Fayetteville, Arkansas
in cooperation with
ECONOMIC DEVELOPMENT DIVISION
Economic Research Service
United States Department of Agriculture

MARCH, 1975

BULLETIN 798



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PREFACE AND ACKNOWLEDGMENTS

This report is based on six studies designed to consider social adjustment, employability of rural labor, and the impact of industry in two regions in Arkansas—the Mississippi Delta and the Ozarks. Requests for the research came from various people in the regions, but they were articulated carefully by people in Concerted Services in Training and Education, Employment Security Division, Arkansas Department of Labor (Dwayne Couchman and William Starling); and Cooperative Extension Service, University of Arkansas (Troy Jennings, W. R. Hart, and Delton Price). The special efforts of Dr. Wilson Kimbrough, Department of Psychology, University of Arkansas; Margaret Banton, Computer Programmer; and Cora Bullock, typist, are gratefully acknowledged.

ABSTRACT

This report is a blend or summary of six reports that dealt with rural development, especially labor adjustment, in the Ozark and Delta regions of Arkansas.

Several writers have suggested that "culture of poverty" is a major deterrent to upward job mobility of the economically deprived. Responses to scales, and related questions, by low income groups in both regions gave little support to the "culture of poverty" explanation. Rather, tangible factors such as lack of suitable transportation and poor health were clearly evident.

The phenomenon of high labor turnover was also clearly evident. Efforts to explain the high rates were applied to a sample of persons in the Delta. Test questions, formulated by Herzberg in the management field, were used to see what was causing job satisfaction and dissatisfaction. The finding was that preconditions for employee satisfaction were available, but the motivators (praise, recognition, etc.) that release the better and best efforts of employees seemed to be at a low level. The evidence pointed to the need for consultants to work especially with supervisors of factory workers to create a work environment with improved social aspects.



CONTENTS

•	Page
Preface and Acknowledgments	1
Introduction	3
Objectives	4
The Study Populations	4
The Decade of the 1960's in Arkansas	6
The Delta	7
The Ozarks	8
Is a "Culture of Poverty" a Deterrent to Rural Industrialization?	
What Makes a Job Satsifactory?	
Tangible Deterrents to Employment	•
What Is the Job Environment in Arkansas?	
Health	
Transportation	
Mobility	
Education and Training	22
What Is the Need for Manpower Programs?	22
How Do Respondents Assess the Value of Job Training Programs	?23
Who Has Participated in Special Job Training Programs?	24
Why Are Participation Rates in Job Training Programs Relatively Low?	24
Are Incentives Necessary To Induce Participation?	24
What Inducements To Enter Job Training Would Be Most Effective?	25
Does Rural Industrialisation Improve the Quality of Life?	26
References	28
Highlights Back	Cove

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Rural Development and Labor Adjustment in the Mississippi Delta and Ozarks of Arkansas:

A Summary Report

By MARY JO GRINSTEAD, BERNAL L. GREEN, and J. MARTIN REDFERN¹

This report presents a blend or summary of six complementary studies done in 1971 and 1972. The studies were initiated mainly at the request of policy makers in the Delta and Ozarks areas of Arkansas. For example, professionals in the State Department of Labor erplained that industrial employment in east-central Arkansas had increased greatly during the 1960 decade and such increases would likely continue. These increases had provided an unprecedented opportunity for agricultural laborers and their spouses to shift into nearby industrial employment. However, this large shift in employment was not without difficulties, some of which included annual labor turnover rates of 10 to 92 percent (6). Reasons for such turnover varied, depending on the group offering opinions and ideas.

Since empirical work to try to identify the main deterrents to improved labor adjustment and associated satisfaction was needed, a multi-disciplinary team at the University of Arkansas responded. The team formulated the six studies to look into the processes of rural development, and talk with the people involved—Blacks and Whites, laborers and managers, and those with low income and other income levels.

¹ Dr. Grinstead is assistant professor, Dept. of Anthropology, Univ of Ark.; Dr. Green is an agricultural economist (U. S. Dept. Agr.) stationed in Fayetteville; and Dr. Redfern is associate agricultural economist.



Objectives

The general framework underlying the projects was as follows:

- 1. the time for rural development has come,2
- 2. a major facet of rural development will be rural industrialization,
- 3. the major handicap to rural industrialization will be difficulties associated with laborers changing from relatively unstructured roles in agriculture to more structured roles in industrial firms.

During the past several years, the number of individuals engaged in agricultural employment has steadily decreased, while the number employed by industry has climbed. The shift has not been easy. Industrial firms have experienced a high rate of labor turnover, and regions in which firms have located have needed to expand public facilities and alter existing policies. Local leaders, state planners, members of governmental committees, and industrial managers may be interested in various findings of this report to:

- 1. implement industrial programs so as to effect high levels of employee satisfaction and low rates of labor turnover,
- 2. plan more effective methods of making new industrial efforts meet with the overall goals of regional and community development,
- 3. evaluate the positive and negative impact of rural industrialization on various communities and regions in Arkansas.

The Study Populations

Data for this report were gleaned from six closely related studies conducted between 1970 and 1972 in the Ozark and Mississippi Delta regions of Arkansas (Figure 1). Grinstead's sample of 257 consisted of household heads from virtually every household in a predominantly black Delta community (Table 1). Davis' Delta sample of 133 was composed of individuals who had completed an area job training program and who displayed varied levels of job adjustment. Dodson considered 406 able-bodied,

Agricultural jobs typically require a series of several related tasks, often with freedom to use several strategies to achieve an objective. In contrast, industrial firms have many situations which require standing mainly in one small area and repeating a narrow range of arm movements.



6

² Assertion by Will Erwin, Asst. Sec. of Agr. for Rural Development, Speech at National 4-H Center, Maryland, March 20, 1973.

R

ARKANSAS RURAL DEVELOPMENT AND LABOR ADJUSTMENT Table 1. Manpower and Related Studies Reported on in This Bulletin

Principal investigator and subject matter area	Study area	Date of collection of data	Number in sample
Mary Jo Grinstead (Anthropology and Sociology)	St. Francis County (Madison, 1970 population of 984)	Summer, 1971	257 households (all households in Madison, of which 192 were Black Americans)
Richard N. Davis (Management)	Crittenden, Cross, Lee, St. Francis, & 	Summe r , 1971	133, of which 74 were in Group I, 30 in Group II, and 29 in Group III; 94 were Black Americans
Gordon O. Dods of (Economics)	Sebastian (urban), Lugan (semi-urban), and Scott (rural) counties	Summer, 1970	406 able-bodied heads of households, aged 16 to 64; 94 were Black Americans
Betty Yantis (Management)	Rogers, Mt. Home, Malvern, Pocahontas, Searcy, Paris, and Nashville	Summer, 1971	Public officials in the 7 study cities
Guy Brady (Agr. Economics)	Cross County (Wynne, 1970 pop. 6,696)	Summer, 1972	Public officials in Wynne, and 330 employees in nearby plants
Virginia Geurin (Economics)	Little River and Sevier Counties	Summer, 1971	126 of 165 high school seniors, male, who were interviewed and took tests in 1965; 24 were Black Americans

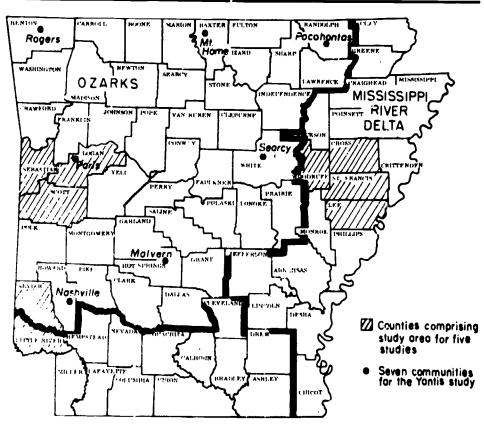


Figure 1. Portions of Arkansas in the Osarks and Mississippi River Delta Regions, and Counties and Communities Covered in Studies

low-income household heads in three western Arkansas Ozark counties that varied in degree of urbanization. Yantis was interested in measuring the impact of rural industrialization upon seven Ozark communities, and Brady's research was an in-depth case study of the effects of rural industrialization on a particular Delta community. Geurin considered factors affecting occupational aspirations, capabilities, and attainment of 126 male high school seniors from ten southwest Arkansas high schools.

The Decade of the 1960's in Arkansas

In Arkansas, the 1960's saw a dramatic rise in real income, as per capita income rose almost 59 percent from \$1,804 in 1960 to \$2,864 in 1970 (Table 2). The fastest growth in income took place in manufacturing (108 percent), followed by government with 75 percent (Table 3).

Table 2. Changes in Per Capita Personal Income between 1960 and 1970, and Totals Projected for 1980, for the Eight Planning and Development Districts in Arkansas

Region	1960	1970	Projected, 1980
United States		\$3,933	\$5,541
Northwest District		2,864 2,864	4,356 4,352 4,101 4,156 4,560 4,037
White River District		2,510 2,650 2,965	4,101
East District	1,509	2,650	4,156
Western District West Central District	1,83 4	2,965 2,71 0	4,000 4.097
Central District	9 750	3,421	4.973
Southwest District	1,792	2,597	4,021
Southeast District	1,701	2,702	4.144

Source: Arkansas Income Projections by Planning and Development Districts, College of Business Administration, Um r. of Ark., Little Rock, Pub. L-9, April 1973, p. 5.

Agricultural employment in Arkansas (100,200 in 1960) declined drastically during the decade by 45,612 workers, or a 45 percent drop (12). The non-agricultural increase in employment of 56.178 more than offset the decline in agriculture to create an industrial structure which more closely resembled the country as a whole (12). Agricultural employment in Arkansas is expected to drop about 4 percent by 1980, to about 52,340 workers. By 1980, the demand for labor in the agricultural sector of Arkansas economy is expected to be relatively inelastic.

Of the eight Planning and Development Districts in Arkansas, the East had the highest increase in per capita income, almost 76 percent (Table 2). High out-migration, especially of Blacks and farm laborers, coupled with substantial industrialization accounted for this growth.



Table 3. Changing Sources of Income, by Category, in 1980 and 1970, with Projections for 1980. Arkansas

	Milli	ons of 19'J do	dollars1	
Category	1960	!^,0	1960	
Income payments produced	3,227	5,517	9,212	
Total earnings Farming Mining	2,618 464	4,228 599	6,785 724	
Construction Manufacturing	42 155 522	39 210 1.087	45 316 2,000	
Trade Fin. Ins., and real estate Trans., comm., and utilities	442 101 208	654 173	1,008 3 01	
Services Government	309 364	287 518 636	377 879 1,067	
Other industries	12	25	50	
Property income Transfer payments	3 44 3 38	718 741	1, 354 1,411	
Less: soc. ins. contributions	—72	—170	338	

¹ Columns may not sum to totals because of rounding.

Source: Arkansas Income Projections by Planning and Development Districts, Col. Bus. Adm., Univ. of Ark., Little Rock, Pub. L-9, April 1973, p. 9.

The Delta

The Mississippi Delta includes portions of the states of Arkansas, Mississippi, Louisiana, and Missouri (14). The Delta has been termed by the President's Commission on Rural Poverty (17) as the largest single poverty area in the United States. Although rural poor live throughout the region, various parts of the Delta differ in terms of social, economic, and ethnic characteristics. That part of the Delta in which the Grinstead, Davis, and Brady studies were carried out is located in eastern Arkansas and has a population fairly evenly divided between Blacks and Whites.

Although agricultural production has been diversified in recent years, cotton still has an important economic role, and a social impact on benavior patterns and social structure. Industry has come to the area largely within the last 10 to 15 years, and this industrialization has been accompanied by substantial social restlessness and political activism. The total population of the Delta counties in eastern Arkansas declined slightly during the 1960 decade; however, the rate of out-migration for Blacks far exceeded that for Whites (U. S. Census). Per capita income increases within the last ten years have been substantial, probably due to employment in manufacturing, but a high proportion of households still have been unable to get above minimal poverty thresholds.



'The Ozarks

The Ozark region included portions of Arkansas, Missouri, Kansas, and Oklahoma. In 1972 the initial area remained predominantly rural, despite the recent growth of a number of urban and retirement centers. The hill land is not well suited to field crop agriculture, and the timber is cut over. However, the land supports a substantial output of feeder calves and pigs, and a large broiler sector. But, in decades prior to the 1960's, a combination of limited job opportunities in the Ozarks and the appeal of higher wages in states such as California and Illinois resulted in a net out-migration, of younger rural people especially.

In many areas of the Ozarks, there is a large proportion of elderly residents, many of whom have low yearly incomes, a factor in the low average household income of the region. In the 1960 decade, a moderate rate of increase in industrialization occurred in the Ozarks, and levels of living of residents increased.

IS A "CULTURE OF POVERTY" A DETERRENT TO RURAL INDUSTRIALIZATION?

Industrialization is commonly considered to be a viable means for combating poverty since firms can provide jobs for the unemployed and underemployed who live in distressed areas such as the Ozark and Mississippi Delta regions of Arkansas. However, factors of poor health, insufficient education, sex, race, or age can be handicaps to participation in any type of job. Some observers have maintained that in addition to these objective deterrents, there exists an attitude syndrome among many of the unemployed or underemployed which prevents successful adaptation to the discipline of modern economic life (13). Social scientists have termed this attitude syndrome "the culture of poverty."

According to this popular explanation for high rates of unemployment among the poor, socialization processes operate to develop a low level of motivation in children, a low need for achievement, and a high need for dependence. Culturally transmitted attitudes include fatalism, an inability or unwillingness to plan for the future, and an orientation in the present only. These attitude are offered as explanations for the low levels of job satisfaction that reportedly occur among the poor. The "culture of poverty" is a pessimistic theory, for its advocates maintain that even in the face of employment opportunities, those socialized in the "culture of poverty" often do not take advantage of employment opportunities that do arise.



Researchers in both the Ozarks (Dodson, Geurin) and the Delta (Grinstead, Davis) were interested in assessing the validity of the "culture of poverty" explanation in accounting for low job satisfaction among the poor. Such assessment is fundamental, for if such a syndrome really exists, efforts to provide employment opportunities and job training for poverty-level Americans will necessarily be largely ineffective. If, on the other hand, such a set of maladaptive attitudes is not characteristic, policy makers may more optimistically establish job opportunities and job training programs in economically deprived areas.

Figure 2, adapted from Hersey and Blanchard (10), illustrates the framework used to understand the linkage between motives (needs) and behavior. Behavior may be viewed as those actions and activities designed to attain a given goal. Goals may be defined or apparent, or they may be undefined by the individual exhibiting behavior. Motives are forces, usually within the individual, such as needs and desires, that stimulate his behavior. Incentives are stimulants that exist outside of the individual; e.g., the promise of increased pay for work, or higher hourly rate of pay for greater production, etc. Incentives may also be intangible, such as words of praise or appreciation.

Behavior encompasses goal-directed activity and goal activity. If an individual's need or motive at a particular time is hunger, then food-getting activities are goal-directed. The actual behavior of eating the food is termed goal activity. During the process of

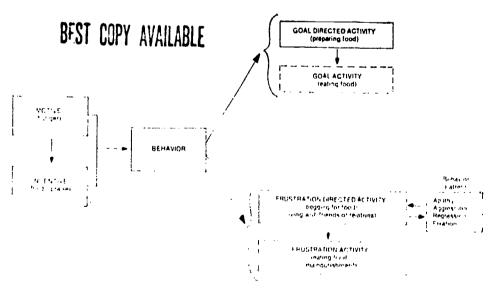


Figure 2. Use of a Tangible Incentive in a Motivating Situation

If behavior is goal oriented, the learner profits by experience, but if the social and physical environments contain too many insoluble problems behavior may appear senseless.



11

goal-directed activity, a need tends to become stronger (for example, the person in search of food tends to become hungrier) until goal behavior is reached, or else he becomes frustrated. If goals are continually blocked, frustration will be experienced. For example, an individual whose food needs are continually blocked finally gives up and experiences frustration. Frustration-directed activity may be accompanied by behaviors indicating apathy, aggression, regression, or fixation.

Figure 2 deals primarily with the way in which a tangible incentive (food) can lead to either goal-directed or frustration-directed activity. The framework is equally applicable for intangible incentives. For example, if an individual's need or motive is job satisfaction, job seeking or working is goal-directed activity. If jobs are not available or the job itself is unrewarding, frustration occurs, accompanied by negative work attitudes and perhaps a refusal to seek or accept employment.

In separate studies in the Delta, Grinstead (1972) and Davis (1973) attempted to measure frustration-directed activity exhibited in low-income respondents using a device termed the Internal-External Control Scale. Fatalism or external control is a frustration response fundamental to the "culture of poverty." If an individual feels that his life is pre-determined, he is not likely to be motivated toward achievement. Black and White respondents were asked to express a preference for one of two statements such as:

- 1. A. If you've got ability, you can always get a good job.
 - B. Getting a good job depends partly on being in the right place at the right time.
- 2. A. The future must be planned and prepared for.
 - B. Live in the present; the future will take care of itself.
- 3. A. Working hard and steadily is the way to get ahead in a job.
 - B. Getting alread in a job depends on the kind of boss you happen to have.

An individual who agrees with the first (A) statement of each pair, in addition to other questions in the set, would be classified as "internally" controlled, or one who believes that he himself is responsible for what happens in his life. The individual who agrees with the second (B) statement of each pair would tend



to be "externally" controlled, or believes that his actions are inconsequential for determining future outcomes.

Davis and Grinstead expected Blacks in the Delta to be substantially more "external" in orientation than Whites, since job opportunities and income expectations for Blacks historically have been substantially lower than for Whites. Blacks were expected to exhibit greater amounts of frustration-directed activity. Although there was some tendency for well-educated and affluent Blacks and Whites to be more "internally controlled" than were pov. rty-level groups, attitudinal profiles did not suggest the existence of a "culture of poverty." Moreover, both Grinstead and Davis found that Blacks, despite their lower average incomes, were not more "externally controlled" or fatalistic than Whites. Young respondents who had seen improvement in their own household incomes during the last decade were noticeably more future-oriented than older respondents for whom industrial openings are not as plentiful. Optimism also was suggested by the finding that 62 percent of Grinstead's sample felt that their economic condition was "much better" or "a little better" in 1971 than it had been five years earlier.

Dodson (1373) and Geurin (1972) found little evidence to support the existence of a "culture of poverty" among western Arkansas respondents. Fifty-four percent of the respondents who were 16 to 44 years old expected to be "better off" in 1975 than they were in 1970, and 38 percent of those same respondents felt that they were "better off" in 1970 than they had been two or three years earlier. Younger individuals were more optimistic about the future than older respondents, and younger rural residents were substantially more hopeful about future developments than the older rural population.

Increased educational attainment did not appreciably affect respondents' feelings of present well-being nor did it tend to be associated with greater expectations for future improvement among the urban or semi-urban Ozark populations. Rural respondents, regardless of educational attainment, tended to expect the next five years to bring greater prosperity than did urban dwellers. Such attitudes are somewhat surprising since research studies have continually shown rural areas to be more economically depressed and rural residents to have fewer opportunities to increase their socio-economic status. However, in the area in Western Arkansas studied by Dodson, rural population had increased between 1960 and 1970; thus, opportunities may be greater, or perceived to be greater, in that region than in those rural counties that have experienced high rates of net out-migration.



It might be added that the researcher in a poverty region tends to remember those individuals or families whose attitudinal profile and life style conform to the "culture of poverty" postulation. That is, households exhibiting malnutrition, pessimism, and economic destitution stand out in one's memory. Certainly, there are individuals and families in the study areas for whom the "culture of poverty" is an accurate description. Data from these studies merely indicate that the number of individuals for whom the poverty culture description is accurate probably has been overemphasized. Little evidence was found in these studies to suggest that the "culture of poverty" is a dominant mode of thought among the poor, or that it can safely be used as a basis for generalization.

WHAT MAKES A JOB SATISFACTORY?

Personnel managers in business and industrial psychologists have long been interested in determining the job-related factors important to employee motivation and job satisfaction. The renowned Hawthorne studies in the 1930's dispelled the then-prevailing view that employees were motivated almost exclusively by monetary reward.

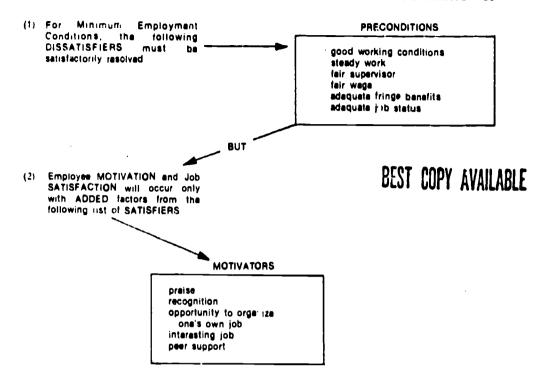
In 1959, Frederick Herzberg (11) published his two-factor motivation-hygiene theory of employee motivation in an attempt to define objectively "preconditions" and "motivators" in the job environment. "Motivators," according to Herzberg, are factors that increase job contentment (achievement, recognition, the work itself, responsibility, and advancement). "Preconditions" or "hygiene factors" are such items as company policy and administration, supervision, technical considerations, salary, and working conditions which must be adequate to permit employee fufilment to occur (Figure 3). Satisfactory resolvement of the "preconditions" will not lead to job motivation, but it must have occurred for "motivators" to come into play. Herzberg's theory maintains that motivational or self-fulfillment goals provide more satisfaction than environmental goals do. Environmental goals, adequately met, are responsible only for thwarting dissatisfaction.

Davis (1973) examined Herzberg's theory in the context of an economically deprived, primarily Black, population in eastern Arkansas. His conclusions generally supported the tenets of Herzberg's two-factor theory.

Eighty-eight percent of Davis' respondents who were em-

^{*}Publication began in 1933 and comprehensive presentation of results is available in Roethlisberger and Dickson, Management and the Worker (Cambridge, Mass., Harvard University Press).





THUS, a job must contain both "Precondition" elaments and "Motivator" elaments before the amployee is apt to be motivated and to like his job.

Figure 3. Hersberg's Motivation-Hygiene Theory for Employee Motivation

ployed full or part-time reported that they liked their jobs. However, relatively few felt that such potential "satisfiers" as promotion possibilities, praise, or recognition from superiors or co-workers existed in their jobs. Workers with the best employment records liked their supervisors better than did those workers who had displayed marginal employment adjustment. The marginally adjusted also reported being reprimanded more frequently by their supervisors.

Potential "preconditions" reported by respondents lay mostly in the areas of low job status and a lack of fringe benefits.

Respondents were asked to tell about the "best" and "worst" things that had ever happened to them in their jobs (Tables 4 and 5). As Herzberg's theory would have predicted, the "best" things usually involved "motivators," and the "worst" things were unresolved "preconditions." That is, responses indicated that workers were more pleased with the presence of motivational factors in their good job experiences than with the presence of factors important only in preventing dissatisfaction. On the other hand, unpleasant work experiences were frequently associated



Table 4. Best Thing That Happened on a Job. as Cited by Delta Workers

		Total	citing
	Event	Number	Percent
M M P M M M	Promotion Pay increase Good relations with supervisor Getting along with fellow workers High production Responsibility Learning new skills Don't know	11 6 5 2	12.6 10.7 5.8 4.8 1.9 0.9 0.9

¹ M indicates employment motivator; P represents employment or production precondition.

Table 5. Worst Thing That Happened on a Job. as Cited by Delta Workers

		Total	citing _
	Event ¹	Number	Percent
PPPPMPPMPP	Accident Machine breakdown Fired Laid off Made a mistake Poor relations with supervisor Hard work Poor relations with fellow workers No promotion Not paid on time Not paid enough Don't know	5 4 4 2 2	15.5 4.8 3.9 3.9 3.9 3.9 1.9 0.9 0.9 0.9

¹ M indicates employment motivator; P represents employment or production precondition.

with Herzberg's "preconditions," or an absence of those factors necessary for minimal employment contentment.

Along with extremes of "best" and "worst" things that had ever happened on jobs, respondents were asked three related, but more philosophical questions: what they thought were important facets of a job, what they thought workers most wanted out of life, and what they thought workers most disliked about jobs in the study area.

Of those items important to a job, good pay, a precondition to release of best efforts, was the most important. Chance for promotion, a motivator, was ranked third (Table 6).

Regarding what they thought most workers wanted out of life, again preconditions (high paying job and secure job) were ranked first and second, while interesting job, a motivator, ranked third (Table 7). Fears about jobs centered around two preconditions, being laid off and being fired (Table 8).



			Item ranking	(1 through 13)	
	Item ¹ 1	through 4	5 through 8	9 through 13	Total
PPMPMPPMPPMPPM	Good pay Good working conditions Chances for promotion Having a boss I like Praise for work well done Having a fair boss Like fellow workers Boss knows work well hims Secure job, steady work Like the work itself Job with high status Good fringe benefits Say in how my job is organiz	41 34 34 30 30 30 29 elf 28 28 28 17	15 31 38 34 27 38 33 38 34 32 31	10 28 28 32 42 32 38 34 38 40 52 54	100 100 100 100 100 100 100 100 100 100

¹ M indicates employment motivator; P represents employment or production precondition.

Table 7. Items That Delta Respondents Thought Most Workers Wanted Out of Life

	74.01	<u>.</u>		Item ranking		
_	Item ¹	1	and 2	3 through 5	6 through 8	Total
P P M P M M M	High-paying job Secure job Interesting job Enough money to get by Job where one can advance Free time to spend with family Plenty of time to do what one wan Easy job		46 27 27 19 14	40 35 45 37 38 43 38 24	10 19 28 36 43 43 52 68	100 100 100 100 100 100 100

¹ M indicates employment motivator; P represents employment or production precondition.

Table 8. Items That Delta Respondents Thought Most Workers
Disliked Most about Jobs in the Study Area

		Item ranking (through 8)		
	Item ¹	1 and 2	3 through 5	6 through 8	Total
PPPPP PMP	Fear of being laid off Fired Not being treated fairly by boss Bawled out by boss Not being liked by fellow worker (workers unfriendly) Injury on job Passed over for promotion Work too tiring		34 36 46 46 48 29 26 35	14 .50 97 91 91 14 17 12 15	100 100 100 100 100 100 100

¹ M indicates employment motivator; P represents employment or production precondition.



Firm managers may well be interested in the significance the respondents attached to the presence of "motivators" in their work environments. If firms are interested in reducing labor turnover and in increasing employee satisfaction, a number of relatively simple and inexpensive tools might be used. For example, since promotions were often listed as "the best thing that ever happened to me in my job," arrangements might be made for smaller but more frequent step-ups. Also, supervisors might be reminded to praise as well as to criticize employee efforts, and to increase the use of positive reinforcement techniques.

TANGIBLE DETERRENTS TO EMPLOYMENT

What Is the Job Environment in Arkansas?

Unemployment, underemployment, and high rates of job turnover occur disproportionately among the economically deprived in Arkansas. The studies of Dodson, Davis, Geurin, and Grinstead were oriented in part toward defining those factors that operate to keep employment rates relatively low among the poor.

The Arkansas Employment Security Division (2) reported that job opportunities in the state increased markedly from 1960 to 1970. During that period, Arkansas retained population in the prime working ages (18 to 44), except for non-whites who showed a high rate of out-migration from the state. The civilian work force increased by almost 25 percent, and participation rates increased for both men and women. Expanding job opportunities in manufacturing, trade, service, and government accounted for a large amount of the increase.

Clouding the foregoing optimistic picture, however, are a number of less encouraging facts. The number of individuals in Arkansas who needed employment-related assistance increased over the same time period, and most of these individuals had incomes near or below the poverty level. The Arkansas Employment Security Division notes that many of these poor have additional handicaps such as insufficient education or training, minority group status, advanced age, or physical impairments.

Insufficient job opportunities and low wages were viewed as major deterrents to successful employment participation by low-income respondents in the Delta and in the Ozarks. Rural Ozark residents perceived greater difficulty in obtaining adequate employment than did Ozark urbanites. The job situation in the Delta



P	erception of situation	Number	Percent
Fair			24.8 18.8
Don't know		- à	6.0

¹ Individuals were asked, "How do you feel job situation is in this area?"

Table 10. Why Job Situation in Delta Area Was Considered Not Good'

Reuson	Number	Percent
All jobs taken (no jobs available) Jobs require more skill Discrimination (racial) Economy down Can't tell what jobs are available	9 8	76.1 9.8 8.7 4.3 1.1

¹ Individuals were asked, "Why do you think job situation is the way it is?"

was viewed as being "only fair" or "poor" by almost 70 percent of Davis' respondents (Table 9), and about 50 percent felt the job situation was definitely "poor." Only about one-fourth of the study group felt that the situation was "good," and the majority who held this opinion were employed. The major reason most individuals felt that the job situation was undesirable related simply to a lack of employment openings in the immediate area (Table 10).

Fifty-seven percent of Grinstead's sample perceived the job situation in the Delta to be "not good." However, at the same time many potential workers were complaining about the inadequate number of jobs in the area, some industrial firm managers were saying that the labor supply is insufficient. Such a situation may be occurring because of a mis-match between the skill level required by a firm and the skills available in the population. In both Ozark and Delta firms, managers and professional employees often are recruited from outside the area. It may be necessary for firms to re-evaluate educational and physical health standards for hiring, to create better congruence between labor supply and industrial demand.

In the Delta, Davis found that almost 33 percent of his study group had one or more times been refused employment for reasons other than poor health. Table 11 indicates that these respondents perceived a lack of formal education or of special job training as the major reasons for job refusal. However, slightly over 20



Table 11. Reason for Refusal of Employment, as Perceived by Delta Respondents¹

Reason employment refused	Number	Percent
Education	^	33.3
Training Prejudice (racial)	•	20.5
Too heavy	•	5.1
Foo old	<u>1</u>	2.5 2.6
Don't know		2.6

¹ They were asked. "Have you ever been refused employment for other than health reasons when you knew there was an opening?" If the answer was yes, "Why do you think you were refused employment?"

percent felt that racial discrimination on the part of employers operated to their employment disadvantage.

Although rural residents in the Ozarks sample had achieved less formal education than their urban counterparts (13 percent of the rural residents had completed high school as compared with 31 percent of the urban sample), fewer of the rural residents believed that their employment opportunities would have increased appreciably with additional training. As Dodson pointed out, it may be that jobs in the rural areas of the Ozarks have lower educational prerequisites than those in more urbanized zones.

Dodson, Davis, and Grinstead found that economically deprived persons made insufficient use of employment agency services. Indeed, many may not be aware of the nature of the services performed by state agencies or may have misconceptions about their mode of operation. Grinstead found that only half of the respondents in her sample had ever asked the Employment Security Division office for assistance.

Table 12. Best Way To Find a Job in Delta as Perceived by Respondents, Davis Study'

Method	Percent ranking iten first and second
OEO, Title III-B program ²	
Employment agency	
Newspaper	
Bulletin boards	

¹ Respondents were asked, "Now I would like to have your opinion on the best way for a person in this area to find a job. Please do as we did on the last question and rank the items from most important to least important."

² Economic Opportunity Act of 1964 as amended Aug. 20, 1964, U. S. Government, 88th Congress, p. 52.



Table 12 indicates that the most popular method of obtaining employment among low-income individuals in the Delta sample was to depend on training program supervisors to find prospective employers.

Health

Inadequate health proved to be a significant deterrent to successful employment adjustment. In her study of adults in the Delta, Grinstead found that 27 percent of the respondents under 35 years of age and 59 percent of those 35 years of age or older had significant health problems. Of those respondents classified as in economic poverty in 1971 (71 percent), 11 percent indicated that ill health had prevented them from obtaining employment. Although 88 percent of Davis' respondents maintained that their health was good, 30 percent of those who had the poorest employment adjustment said that poor health had prevented them from working. Eight percent of Davis' total sample had at some time been refused employment because of health problems.

When Davis' respondents were asked about the fringe benefit that they liked the most, the answer recorded with greatest frequency was low-cost health insurance provided by the firm. It may be that low-cost health insurance would be an effective means of reducing labor turn-over.

Transportation

Rural industrialization places a premium on availability of private transportation. But the initial cost of purchasing a reliable vehicle and the steady cost of upkeep is economically draining on the low-income worker. In several cases, individuals in the Delta who had been offered jobs were forced to reject them because they were unable to finance a vehicle. It is often difficult for the economically deprived individual to obtain sufficient credit to purchase an adequate vehicle, and the vehicles within the economic reach of the poor may not provide reliable transport.

Although the majority, 64 percent (54 plus 10), of Davis' respondents expressed no transportation problems in getting to work, one out of four indicated a slight problem with vehicles, and almost 11 percent indicated that they had had to miss work often due to transportation problems. It is significant that only slightly more than half of Davis' sample owned their own vehicles (Table 13). Significantly, Davis found that inadequate transportation was the major reason his respondents had quit



Table 13. Transportation Status of Delta Respondents

Status	umber	Percent
Method of transportation: Own vehicle Rode with friend Walked	57 36 10	55.3 34.9 9.7
Mechanical trouble ² Never Hardly ever (once in awhile) Often Did not use mechanical transportation	56 26 11 10	54.4 25.2 10.7 9.7

¹ The question asked was, "For your job with _____ following training, how did you get to work?"

jobs. Fifty-one percent of Grinstead's entire sample, and 64 percent of those respondents in poverty, had no private transportation. Nearly 5 percent of these individuals indicated that lack of transportation had often caused them to miss work.

Six percent of Dodson's sample from western Arkansas stated that transportation problems constituted the *major* deterrent to their employability. The premium on transportation is underscored by Brady's (1973) finding that over 31 percent of his sample of industrial workers commuted between 15 and 30 miles one-way each working day.

Mobility

With job opportunities decreasing in certain parts of Arkansas and expanding in others, willingness to move may be the key factor in successful job adjustment. Of Dodson's 406 respondents, all low-income people between the ages of 16 and 64 in the Ozarks, the following percentages agreed with each of the following statements⁵:

Attitude	Percent agreeing
"There is nothing to keep me from leaving this area" "There are some things that would keep me from moving out of this county, but I would consider moving" "I would never move from this county"	45

Thus, while slightly more than one-fifth of the household heads seemed definitely willing to move, more than three-fourths

^{*}The question asked was, "What, if anything, would keep your from moving to another county nearby should you find out about some definite opportunities to make a better living?"



² The question was, "If you drove your own car or rode with a friend, how often did it give mechanical problems which caused you to miss work?"

had partial or complete reservations. Rural respondents were somewhat less hesitant about moving than more urban respondents, an indicatior, perhaps, of the relatively scarce job opportunities in rural western Arkansas. The fears of selling property at a loss, getting an unsuitable job in another locale, and leaving friends and family were strong factors inhibiting mobility. In the Delta, Davis found that slightly less than half of his sample was willing to move for a comparable or slightly better job. However, many more of these individuals were willing to drive as far as 25 miles one-way each day to work.

In Grinstead's study, 56 percent of the out-of-poverty group and 40 percent of the in-poverty group stated that they would be willing to commute to work if the pay were satisfactory (Table 14). Thirty-eight percent of the out-of-poverty group and 18 percent of the in-poverty group stated that they would be willing

Table 14. Respondents' Willingness To Commute to Work, by Poverty Status, Delta¹

		Poverty status, 1970			
Attitude toward commuting to work	In poverty	Out of poverty	Undeter- mined	Total	
No Undecided		Nun 37 26 3 66	3 5 0	113 139 5 257	
No Undecided		56 39 5	38 62 0	44 54 2	

¹ Typically, the respondent was the spouse, rather than the head of household.

Table 15. Respondents' Geographical Mobility, by Poverty Status, 1970, Delta'

	I	overty statu	s, 1970	
Geographical mobility	In poverty	Out of poverty	Undeter- mined	Total
Would you move at least 50 miles		Nu	mber	
to get work?	30	19	1	50
Qualified yes	148	39	7	191
Undecided	R.	2	0	7
Total	183	`66 <i>Per</i> e	8	257
Yes	16	29	12	19
Qualified yes	2 79	9 59	88	74
No Undecided		3	~~	' }

¹ Typically, the respondent was the spouse, rather than the head of household.



to move at least 50 miles to obtain work (Table 15). Moving expenses, it must be remembered, are a considerable financial hardship on low income families who may hesitate to leave their homes and families for the uncertainties of employment elsewhere. Factory work may entail seasonal or periodic layoffs which also make moves less desirable. It may be that guarantees by an employer of steady work for a stated period of time would increase geographical mobility among low income families.

Education and Training

Respondents from both the Ozarks and the Delta displayed low levels of formal education and low rates of participation in specialized job-training programs. In Grinstead's community study, 26 percent of the residents were functional illiterates; that is, they had less than five years of formal schooling. The educational mean for the community was approximately 9 years. Nineteen percent of the Black respondents and 29 percent of the White had attended some sort of specialized job-training program. Twelve percent of Davis' sample of job training graduates were functional illiterates, and the mean educational level for the group was 9 years. Three-fourths of Dodson's Ozark respondents had had no specialized job training in the last 15 years. However, Dodson's respondents maintained that more education and specialized training would be useful in the quest for employment.

WHAT IS THE NEED FOR MANPOWER PROGRAMS?

The Federal Government is attempting to alleviate certain conditions of poverty in rural areas by broad-based programs encompassing education, manpower and employment programs, and health. Although government money continues to be spent the development of adequate training programs is difficult, and many observers have noted that efforts have met with only partial success. Harry Caudill (5) has drawn attention to the fact that at the present time, technological growth is currently displacing an additional 2 million jobs each year.

In a 1970 report, the Arkansas Advisory Council for Vocational-Technical Education stated: (1)

... in Arkansas, for every unemployed person, there are, on the average, four underemployed or persons not in the labor force. These persons are either working in jobs



not commensurate with their skills and training, or they are not in the labor force because they know no jobs are available or because they have been turned away from jobs due to lack of education or occupational skills.

How Do Respondents Assess the Value of Job Training Programs?

Both Dodson and Davis found that low-income workers realized the importance of education and special job skills in providing avenues for job success and employment improvement. When Dodson's study group⁶ was asked the question, "Is there anything you can think of that would help you get a better job or to locate a better job?," they gave the following responses:

Aid to employment Percentage citing factor' Don't know or no response More education18 Move out of the area11

The response "more training" received a greater percentage than any other factor. Factors ranked fourth and fifth, "nothing would help around here" and "move out of this area," implied a perception of a generally futile job environment. Urban respondents were more aware of the need for additional training or education than rural, while rural residents expressed more concern than urban over the unavailability of jobs in their area.

Individuals in eastern Arkansas who had completed job training programs felt that the programs were beneficial and useful for upgrading job skills. Delta respondents suggested that job training programs might be made more useful by increasing emphasis on job placement. Seventy percent of the respondents in western Arkansas felt that job training would probably help them obtain a better position, with urban dwellers especially favoring the employment benefits that might result from such training.

⁷ Multiple responses were accepted, so these percentages cannot be totalled.



⁴ The group was composed of 406 low-income, but able-bodied, household heads between the ages of 16 and 64 inclusive.

Who Has Participated in Special Job Training Programs?

Almost three-fourths (73 percent) of the low-income house-hold heads interviewed in western Arkansas had not enrolled in a specialized training program related to their job in the last 15 years. The less urbanized section had a lower incidence of such training as well as, it may be recalled, less formal education. Such a lack of training places the rural population at a disadvantage in job market competition.

Why Are Participation Rates in Job Training Programs Relatively Low?

When western Arkansas respondents were asked, "Why have you not enrolled for training programs before now?" the following factors were cited:

DeterrentPercent citing factorsNever thought about it30Unable to quit work to enter training30No programs located around here21Never thought that I needed it18Never could afford it10

Respondents' lack of financing and of information about programs stand out as crucial deterrents to participation in special training programs. Programs that are conveniently located and about which good information is available are essential if low income individuals are to improve their job skills. It is surprising that a somewhat higher percentage of the low-income household heads in the urban areas than in rural areas had "never thought about" entering training, despite the fact that programs in urban areas were more publicized and relatively more conveniently located. The factor, "unable to quit work to enter program," appeared less often among the rural stratum, probably indicating, among other things, that the quality of rural jobs was inferior to quality of those found in an urban environment.

Are Incentives Necessary To Induce Participation?

Western Arkansas respondents were asked, "Would you enroll in a job training program designed to teach you skills to get a good paying job or to improve on your present skills if all of

[&]quot;Multiple responses were accepted.



your travel costs to and from training were paid for you plus an allowance given to you each week during training?" Percentage responses from the 406 surveyed were:

Response	Percentago
YesNo	
Maybe	<u>-</u> <u>-</u>

However, when the same population was asked if they would be willing to enter such a program if they could borrow money at low interest from a government agency (with the low monthly repayments not beginning until training was completed and a job was found), replies were far less positive:

Response	Percentage
Yes	34 54
Maybe	12

Monetary incentives, then, seem necessary if low-income persons are to participate in job-training programs. The data also showed that those individuals who were relatively better educated, geographically mobile, and of younger age were more likely to express willingness to enroll in a job-training program.

What Inducements To Enter Job Training Would Be Most Effective?

The 310 respondents in the western Arkansas study who indicated an interest in participation in a job-training program in which travel costs and a supplementary allowance were provided were asked how much allowance would be necessary. Forty-five percent of these respondents said that \$50 to \$75 a week would be adequate, while another 30 percent stated that the minimal amount that they would accept would be between \$76 and \$100 per week. The rural respondents were as a whole willing to accept less monetary inducement than the urbanites, who had superior jobs and better job skills. Seventy-eight percent of the study group felt that the government should provide free training for upgrading skills.

Pav was ranked as the most powerful incentive for participation, followed by a guaranteed job after training, Some respondents (17 percent) felt that they would be unable to attend a job training program which was not held in the county in which



they lived. Ninety-two percent were unwilling to train for more than 12 months.

Studies revealed that low-income populations are often unaware of programs designed for their participation. Eighty-nine percent of the rural reclients and 70 percent of the urban in western Arkansas maintained that no job training program was available to them, even though in fact no respondent was located more than 50 miles from a job training center. Such a lack of information stresses the importance of better techniques for dispersing knowledge about training programs.

DOES RURAL INDUSTRIALIZATION IMPROVE THE QUALITY OF LIFE?

Although industrialization provides jobs for some people, it does not follow that it is always good for rural America. Economists and other social scientists have studied the positive and negative ramifications of industrialization of rural areas. Rural industrialization has been associated with higher personal and family incomes; however, it has sometimes also greatly increased the need for additional community services. Also, the by-products of industrialization (traffic congestion and air pollution) may adversely affect the quality of life in ways that are sometimes difficult to measure precisely.

In a study of seven rural communities in the Arkansas Ozarks, Yantis (1972) found that the private sector in each town benefitted markedly by the introduction of industry. That is, increasing industrialization was accompanied by a dramatic rise in per capita income. Population increases also were associated with the industrialization, and unemployment rates remained stable or decreased. Brady (1973), in a case study of a Delta community, concluded that industrialization was associated with improvement in individual and family income, but the total effect on the public sector was less predictable, as municipal revenues did not keep pace with the increasing expenditures for municipal services.

Contrary to the fears of some, the industrialization of rural communities in the Ozarks has not fostered an in-migration of surplus labor; rather, persons (often women) who were not previously employed gained employment. This means that although unemployment rates may not have been substantially affected by industrialization, family incomes were improved. Brady (1973) found that employment opportunities for young Delta women with high school educations were scarce; Grinstead (1972) found that factory jobs were less available to the "over 40" age groups.



Bender, Green, and Campbell (3) caution that the out-migration of young and educated persons from depressed rural areas may be accompanied by a cyclical process which they term "rural ghettoization." When better educated people leave an economically declining area, the tax base for public facilities and services is likely to diminish. In such a situation, only industries that hire low-wage, low-skill personnel are likely to locate in the area, Brady's 1973 study, for example, indicated that a high percentage of management personnel in the Delta community were recruited from outside the region (30 percent from outside Arkansas). Low-wage, low-skill industries tend to repel the inflow of large numbers of middle class people, tending to perpetuate regional poverty.

Rural industrialization cannot be viewed as a cure-all for the poverty problems of rural areas. Although rural industrialization is often accompanied by rises in per capita incomes, other factors may also be involved. Local leaders must evaluate the potential dangers of environmental deterioration and human resource exploitation that may accompany industrial expansion, the effect of industrialization on vital public services such as police and fire protection, utility expansion, etc., and most of all the effect on the happiness and well-being of the rural inhabitants.



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ARKANSAS RURAL DEVELOPMENT AND LABOR ADJUSTMENT 29

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HIGHLIGHTS

This report summarizes the major findings of six separate research studies dealing with rural development and other adjustments in the Ozark and Delta regions of Arkansas. The studies were based on the assumption that rural development is of continuing national concern, and that an integral part of rural development will involve rural industrialization. Thus far, efforts to promote the industrialization of rural areas have met with difficulties, one being the high rates of labor turnover. Labor adjustment difficulty in rural industry is of concern since the agricultural sector is employing a steadily decreasing proportion of the rural work force. This implies increasing competition between rural industry and agriculture for skilled labor.

Because the "culture of poverty" is a popular explanation for any problem typical of the poor, the separate studies attempted to measure the degree to which pessimism, apathy, and fatalism were pivotal values of these poor. One instrument used to assess the "culture of poverty" was Rotter's Internal-External Control scale. Little empirical support for the explanation was found. Responses to other questionnaire probes indicated that optimism more appropriately characterized the rural population, especially the young. In other respects as well, attitudes prevalent among the poor appeared not to affect employment adjustment adversely. Respondents indicated that they were willing to move to obtain employment, to commute as far as 25 miles one-way to a job, and to take special training to learn new job skills or to improve present ones. The proportion of the rural respondents willing to enroll in job training programs increased dramatically when monetary incentives were offered.

Data indicated that rural workers with low skills were motivated by essentially the same sorts of factors as white collar workers and professionals. That is, the factory worker in a rural area does not consider his job satisfactory just because the pay is adequate and physical working conditions are pleasant. Such factors are important only insofar as they prevent dissatisfaction. A job becomes satisfactory when motivational factors such as the possibility for advancement, achievement, and recognition are present.

Objective, environmental deterrents were most important in explaining the disturbing rate of labor turnover in the rural areas of Arkansas. First of all, the job situation in both the Ozarks and the Delta was viewed as "not good" by a substantial portion of the samples. Individuals attempting to find work often remarked that jobs were not available. Respondents, however, appeared to lack information about existing employment opportunities, relying heavily upon the advice of friends and relatives and making inadequate use of such services as the Employment Security Division. Health problems emerged as major deterrents to employability, especially among the middle aged. Transportation was a real deterrent to employment for many rural dwellers who had inadequate financial resources to purchase a reliable vehicle and who could not cooperate in a car pool arrangement.

Overall, rural industrialization appears to have improved the private sector of rural Arkansas economies by increasing personal and family incomes. However, in some cases, it appeared that municipal revenues had not kept pace with increasing expenditures for municipal services. Rural industrialization must not be viewed as a cure-all for the problems of rural areas. Local leaders must be cognizant of the socio-economic strains, as well as benefits, which may accompany location of an industry, the industry's effect on municipal services, and above all, its effect on the happiness and well-being of rural inhabitants.

